

MINUTES
WEST LAFAYETTE ECONOMIC DEVELOPMENT COMMISSION
609 West Navajo St., West Lafayette, Indiana
Lower Level Conference Room

October 23, 2012

The meeting was called to order at 12:06 p.m. President Baitinger presided.
The role was called.
Present: Bill Baitinger, Steve Bruhn, Sue Scholer
Absent: Linda Cohen, John Knot

President Baitinger stated three attending members constitute a quorum.

Old Business

Approval of Minutes

Commissioner Scholer moved to approve the minutes of the May 24, 2012 Economic Development Commission meeting. Commissioner Bruhn seconded. The minutes were approved as written 3-0. There was no further old business.

New Business

Resolution EDC 2012-2

President Baitinger requested Attorney Tom Brooks, Jr. read the resolution aloud. Commissioner Scholer moved to approve Resolution EDC 2012-2 A Resolution Approving and Authorizing Certain Actions and Proceedings with Respect to Certain Proposed Economic Development Revenue Bonds. Commissioner Bruhn seconded.

Mayor Dennis gave a brief background of the project which was originally presented to the City almost two years ago at a meeting which included all local government entities. The Mayor stated technology is one of the strongest tools to bring investment and economic development into our community. The economic development process allows us to take advantage of this opportunity for development and make business, education, and recreation better. Mayor Dennis stated he supports the project as favorable for the City of West Lafayette; good for growth and also an opportunity to move forward while working with other local governments.

The process to establish a Tax Increment Finance (TIF) District in the City of West Lafayette for personal property for the fiber was explained by Attorney Brooks. After approval by the West Lafayette Common Council, the project will go back to the Redevelopment Commission in December for the creation of an Economic Development area. The City of Lafayette and Tippecanoe County have partnered together for their bond. The city of West Lafayette will have its own bond up to \$2.5M and bond funds will be used strictly for West Lafayette's fiber optic.

Mr. Steve Biggerstaff of MetroNet explained the history of the company which is out of Evansville, Indiana. A packet of information was distributed to the Commissioners illustrating the services provided and communities already using the services. MetroNet is a total comprehensive provider of fiber to the premise which includes fiber IPTV, high-speed internet, and full featured fiber phone service. Fiber installation will provide economic development attracting new businesses, investments and jobs for the community. Unlimited service capability will be offered to every home in the community with no required contract. The initial build for West Lafayette, Lafayette and portions of Tippecanoe County is estimated to cost \$60M. Construction is expected to begin in January of 2013. Questions from the Commissioners were addressed by Mr. Biggerstaff.

Mr. Jim Higgins, CPA of the London Witte Group and financial advisor to the Commission explained the estimated cash flow of the project. The fiber is taxed as business personal property and subject to depreciation. An illustration of the Estimated TIF Review Business Personal Property Tax for the MetroNet Project was provided for review and explained by Mr. Higgins. An estimated tax rate was used for the illustration. The TIF district for the fiber expires upon payment of the bond, the increment is no longer captured by the Redevelopment Commission and the value of the infrastructure is released to the general fund. Clerk Treasurer Rhodes confirmed that the City is not liable for the repayment of the bond. MetroNet is considered a utility and subject to the Indiana Utility Regulatory Commission. Commission Attorney Tom Brooks, Jr. commented the project has gone before the Redevelopment Commission who has passed declaratory resolution RC 2012-3 approving the plan. Total build time out is estimated at 18-24 months with the first customers being served three months after commencement of the project. Additional questions from the Commission were answered. Public comment was requested.

The roll call vote:

| COMMISSIONER | AYE | NAY | ABSENT | ABSTAIN |
|-------------------|-----|-----|--------|---------|
| Linda Cohen | | | ✓ | |
| Sue Scholer | ✓ | | | |
| Steve Bruhn | ✓ | | | |
| William Baitinger | ✓ | | | |
| John Knot | | | ✓ | |

The motion to approve Resolution EDC 2012-2 passed 3-0.

Commissioner Bruhn moved to approve The Report of the City of West Lafayette Economic Development Commission Concerning the Proposed Financing of Economic Development Facilities for Metro FiberNet LLC. Commissioner Scholer seconded. The report proposes to recommend approval of the bonds to the West Lafayette Common Council.

The roll call vote:

| COMMISSIONER | AYE | NAY | ABSENT | ABSTAIN |
|-------------------|-----|-----|--------|---------|
| Linda Cohen | | | ✓ | |
| Sue Scholer | ✓ | | | |
| Steve Bruhn | ✓ | | | |
| William Baitinger | ✓ | | | |
| John Knot | | | ✓ | |

The motion to approve the report passed 3-0.

Public Comment

Public Comment was requested.

Adjourn

There being no further business, Commissioner Bruhn moved to adjourn. Commissioner Scholer seconded. The meeting adjourned at 1:05 p.m.

Respectfully submitted,

Steve Bruhn, Secretary

/djK